

P-421, 413, 407, 405, 430, 426/CP-88-856 DEFERRING ACTION

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Patrice Vick	Commissioner

In the Matter of the Petition of Certain
Subscribers in the Montrose Exchange for
Extended Area Service to the
Minneapolis/St. Paul Metropolitan Calling
Area

ISSUE DATE: July 3, 1990

DOCKET NO. P-421, 413, 407, 405, 430,
426/CP-88-856

ORDER DEFERRING ACTION

PROCEDURAL HISTORY

On October 31, 1988, customers within the Montrose exchange filed a petition requesting that the Commission authorize extended area service (EAS) to the Minneapolis/St. Paul metropolitan calling area.

On April 27, 1990, the Minnesota legislature enacted legislation regulating the installation of extended area service (EAS) in Minnesota. The legislation specifies the circumstances under which the expansion of the metropolitan extended area telephone service is required. Minn. Stat. § 237.161 (1990).

On June 12, 1990, the Commission met to consider the implications of this legislation for EAS petitions currently pending before the Commission ¹ and to undertake its revised regulatory

¹ The implications of the new legislation for the other petitions for extended area service (EAS) pending before the Commission are addressed in separate Orders of the Commission:

1. In the Matter of the Petitions of Certain Subscribers in the Exchanges of Zimmerman, Prescott, Waconia, Belle Plaine, North Branch, Lindstrom, New Prague, Cambridge, Hudson, Houlton, LeSueur, Cannon Falls, Delano, Northfield, Buffalo, and Watertown for Extended Area Service to the Minneapolis/St. Paul Metropolitan Calling Area, Docket P-421, 405, 407, 430, 426, 520, 427/CI-87-76, ORDER AFTER RECONSIDERATION OF JUNE 20, 1989 ORDER IN LIGHT OF MINNESOTA STATUTE § 237.161 (1990) (June 26, 1990).

2. In the Matter of the Petition of Certain Subscribers of the Waverly Exchange for Extended Area Service to the Metropolitan Calling Area, Docket No. P-413, 421, 430, 407, 405, 426/CP-

responsibilities under the legislation.

FINDINGS AND CONCLUSIONS

Regulation Under the New EAS Statute

Minn. Stat. § 237.161 (1990) divides telephone exchanges into two groups: metropolitan area exchanges (i.e. those served by a central office located within the seven county metropolitan area) and non-metropolitan area exchanges. The Montrose exchange is a non-metropolitan area exchange because its central office is not within the seven county metropolitan area.

Non-Metropolitan Area Exchanges: Section 1 of Minn. Stat. § 237.161 (1990) requires the Commission to grant petitions for installation of extended area service when three objective criteria have been established. First, the petitioning exchange must be adjacent to an exchange or local calling area to which extended area service is requested. Second, a traffic study must indicate that at least 50 percent of the customers in the petitioning exchange make one or more calls per month to the exchange or local calling area to which service is requested. Third, polling by the Commission must show that a majority of the customers responding to the poll in the petitioning exchange favor its installation, unless all parties including the Commission agree that no polling is necessary.

The New Statutory Requirements and Procedures as Applied to the Montrose Petition for EAS

The Montrose exchange does not meet the first of the three criterion of Minn. Stat. § 237.161, Sec. 1, adjacency. However, it is adjacent to the Buffalo, Delano and Watertown exchanges, all of which have petitions for EAS currently pending before the Commission. If the Commission grants any of these three petitions and thereby extends the metropolitan calling area to any of these exchanges, the Montrose exchange would then become adjacent to the metropolitan calling area and hence would meet the adjacency requirement of Minn. Stat. § 237.161, Sec. 1.

89-187, ORDER DEFERRING ACTION (July 3, 1990).

3. In the Matter of a Petition of Certain Subscribers for Extended Area Service Between the Monticello Exchange and the Minneapolis/St. Paul Metropolitan Calling Area, Docket No.P-404, 421, 430, 407, 405, 426/CP-89-1039, ORDER REQUIRING FILING OF TRAFFIC STUDY (July 3, 1990).

4. In the Matter of the Petition for Extended Area Service From Mayer, Minnesota to the Minneapolis/St. Paul Metropolitan Calling Area, Docket No. P-407, 421, 430, 405, 426/CP-88-839, ORDER REQUIRING FILING OF COST STUDIES AND PROPOSED RATES (July 3, 1990).

In these circumstances, rather than dismiss the Montrose petition for lack of adjacency at this time, the Commission will defer action on the Montrose petition pending its determinations of the Buffalo, Delano, and Watertown petitions.

If the Commission grants any or all of the Buffalo, Delano or Watertown petitions, Montrose would meet the first statutory criterion, adjacency. The Commission would then reactivate its petition and process it to determine whether the Montrose exchange could meet the second and third criteria under Minn. Stat. § 237.161, Sec. 1: sufficient traffic to the metro calling area and customer support as specified in the statute.

ORDER

1. Commission consideration of this matter is stayed, pending the Commission's determination with respect to petitions pending in Docket No. P-421/CP-87-506 (Buffalo), Docket No. P-407, 421/CP-87-219 (Delano) and Docket No. P-421, 407/CP-87-536 (Watertown).
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)